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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/663,912

09/17/2003

Stephany Jean Head

4803.001

2623

7590

07/23/2008

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EXAMINER

POND, ROBERT M

ART UNIT

PAPER NUMBER

3625

MAIL DATE

DELIVERY MODE

07/23/2008

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/663,912	Applicant(s) HEAD, STEPHANY JEAN	
	Examiner Robert M. Pond	Art Unit 3625	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on Amendment (4/25/08).
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-6,8 and 10-14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-6,8 and 10-14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

The Applicant amended independent claims 1, 8, 13 and 14. Claims 7, 9 and 15 are canceled. All pending claims 1-6, 8 and 10-14 were examined in this non-final office action necessitated by amendment. The Applicant is reminded that twice rejected claims are eligible for appeal.

Response to Arguments

Applicant's arguments filed 25 April 2008 have been fully considered but they are not persuasive. The background of the invention sets forth the state of the art and the predictability of the art is lacking (page 3 of specification lines 1-6 - in many decisions involving complex contracts, it is relatively difficult to define the buying-organization's business logic....) therefore, requiring the applicant to give sufficient guidance and direction. The instant specification, however, is filled with generalities and examples but lacks specifics. The Applicant's instant specification lacks specifics and sufficient guidance and direction to support a predictable, repeatable and concrete result. Given the lack of sufficient guidance and direction provided by the instant specification, it is determined the claimed invention does not provide a predictable, repeatable and concrete result.

Claim Rejections - 35 USC § 112, First Paragraph

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

1. Claims 1-6, 8 and 10-14 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement.

The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. The background of the invention sets forth the state of the art and the predictability of the art is lacking (page 3 of specification lines 1-6 - in many decisions involving complex contracts, it is relatively difficult to define the buying-organization's business logic....) therefore, requiring the applicant to give sufficient guidance and direction. The instant specification, however, is filled with generalities and examples but lacks specifics. The Applicant's instant specification lacks specifics and sufficient guidance and direction to support a predictable, repeatable and concrete result. Given the lack of sufficient guidance and direction provided by the instant specification, it is determined the claimed invention does not provide a predictable, repeatable and concrete result thereby requiring undue experimentation. Please refer to MPEP at least 2164.01(a).

Claim Rejections - 35 USC § 112, Second Paragraph

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

- 1. Claims 1-6, 8 and 10-14 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.**

Specific to the Applicant's claims at least but not limited to "identifying an industry standard," "assigning numerical values," "adjusting each of the assigned numerical values" and "framing a response" are actions required by a user of the claimed invention, the user being a human and therefore subject to unpredictable input based on individual interpretation of the data for purposes of assigning, adjusting, establishing a pre-determined range and framing a response.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

- 2. Claims 1-6, 8 and 10-14 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

Art Unit: 3625

MPEP 2106: A claimed invention is directed to a practical application of a 35 U.S.C. 101 judicial exception when it:

- (A) “transforms” an article or physical object to a different state or thing; or
- (B) otherwise produces a useful, concrete and tangible result, based on the factors discussed below.

(1) Practical Application by Physical Transformation- *excerpt omitted*.

(2) Practical Application That Produces a Useful, Concrete, and Tangible Result

(2)(a) “USEFUL RESULT”

(2)(b) “TANGIBLE RESULT”

(2)(c) “CONCRETE RESULT”

Another consideration is whether the invention produces a “concrete” result. Usually, this question arises when a result cannot be assured. In other words, the process must have a result that can be substantially repeatable or the process must substantially produce the same result again. In *re Swartz*, 232 F.3d 862, 864, 56 USPQ2d 1703, 1704 (Fed. Cir. 2000) (where asserted result produced by the claimed invention is “irreproducible” claim should be rejected under section 101). The opposite of “concrete” is unrepeatable or unpredictable. Resolving this question is dependent on the level of skill in the art. For example, if the claimed invention is for a process which requires a particular skill, to determine whether that process is substantially repeatable will necessarily require a determination of the level of skill of the ordinary artisan in that field. An appropriate rejection under 35 U.S.C. 101 should be accompanied by a lack of enablement rejection under 35 U.S.C. 112, paragraph 1, where the invention cannot operate as intended without undue experimentation. See *infra*.

Given the lack of sufficient guidance and direction provided by the instant specification, it is determined the claimed invention does not provide a predictable, repeatable and concrete result thereby requiring undue experimentation. Please refer to MPEP at least 2164.01(a).

3. Claims 1-6, 8 and 10-12 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Based on Supreme Court precedent and recent Federal Circuit decisions, a process that consists of a series of steps or acts to be performed must i) be tied to another statutory class (such as a particular apparatus) or ii) transform underlying subject matter (such as an article or materials) to a different state or thing. If neither of these requirements is met by the claim, the method is not a patent eligible process under 35 USC 101. *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876).

Patent statute does not allow patents to be issued on particular business systems, such as particular type of arbitration, that depend for their operation on human intelligence alone. In the present application, method claims for competing in a complex contract competition are unpatentable as directed to nonstatutory subject matter under 35 U.S.C. §101, since mental processes standing alone are not patentable, even if they have practical applications, since claims at issue do not require use of machine, and they do not describe process of manufacture or process for alteration of composition of matter, and since claims instead cover use of mental processes to process a monetary transaction among manufacturers and retailers, and thus seek to patent use of human intelligence in and of itself.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Robert M. Pond whose telephone number is 571-272-6760. The examiner can normally be reached on 8:30AM-5:30PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Mr. Jeff Smith can be reached on 571-272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Robert M. Pond/
Primary Examiner, Art Unit 3625
July 18, 2008